



June 2004



SCHOOL FINANCE UPDATE

A Monthly Newsletter Published by the School Finance Division

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Linda McCulloch, State Superintendent

This monthly newsletter is emailed to school districts, county superintendents, county treasurers, and auditors. The newsletter is intended to reach all district staff involved in budgeting, accounting, enrollment, special education funding, and federal programs. Please forward this information to all interested parties. Got suggestions for items to include here? We'd love to hear from you!

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We want as many users in the system as possible at once to test that it will accommodate the demand. Your testing and feedback in June will help us address any problems before the final system is opened in July.

Before doing the test, we ask that you download the newest Citrix "client" (software). Instructions for doing that are included with the email instructions you will receive before the test.

OPI Contact: Nica Carte, (406) 444-4401 or ncarte@state.mt.us.

MAEFAIRS System Test Scheduled for June 22

The MAEFAIRS Trustees' Financial Summary (TFS) and Budget have moved to Citrix (IRIS) for this year-end. To ensure the system is robust enough to handle the demand it will undergo in July, the School Finance Division requests your assistance in a test of the system's capabilities.

If you are the registered MAEFAIRS User, please login to "**Draft MAEFAIRS**" through Citrix (IRIS) **between 10:00 and 11:00 a.m. on Tuesday, June 22**. OPI will send you an email with instructions for the short test, which we estimate will take approximately 10 to 15 minutes to complete.

In case you missed it.....

Applications for indirect cost rates for FY 2004-05 are now posted on the OPI website at <http://www.opi.state.mt.us/PDF/SchoolFinance/Acct/HoWDoI.pdf>

OPI Contact: Jim Oberembt, (406) 444-1257 or joberembt@state.mt.us

Transfers Between Funds

School Finance Division recently posted a chart to help explain the transfers that are allowed under 20-9-208, MCA. You can find

the chart on the School Accounting webpage at this link:

http://www.opi.stte.mt.us/PDF/SchoolFinance/Acct/Transfer_Matrix.xls (Excel format)

A second tab on the worksheet lists the requirements for closing funds.
Reminder -- If your district transferred any money between funds this year under the provisions of 20-9-208, MCA, please remember to send OPI a copy of the trustees' resolution by June 30, 2004.

OPI Contact: Denise Ulberg, (406) 444-0783 or dulberg@state.mt.us.

Budgeting for FY05

Here are some tips that might be useful as you budget for FY05:

1. An Excel spreadsheet for calculating the estimated state and county "on-schedule" transportation reimbursement is posted at: <http://www.opi.state.mt.us/PDF/SchoolFinance/budget/transbudgwshta50303.xls>

OPI Contact: Maxine Mougeot, (406) 444-3096 or mmougeot@state.mt.us.

2. MAEFAIRS Trustees' Annual Financial Summary (TFS) and Budget is available as a "draft" for FY05. It can optionally be used to do preliminary projections of budgets for all funds. The data entered into "Draft MAEFAIRS" will be overwritten or deleted when the final system opens in July.

The final TFS and Budget system will be available on approximately July 20. As usual, OPI will notify you by email when it is opened.
OPI Contact: Nica Carte, (406) 444-4401 or ncarte@state.mt.us.

3. State Tech Fund Payments: At this time, we are not aware of any funds being provided for Tech payments for FY05. This may change in July or August if OPI receives notice that timber proceeds are available for distribution.

4. Flexibility Fund Payments: There will be no distribution of Flex payments in FY05, since no money was legislatively appropriated.

5. The Tech Fund money, if any, in Fund 28 does not have to be spent by year-end. You can carry money over to FY05. Just remember to include that amount in the adopted budget for the fund.

6. The Flexibility Fund money, if any, in Fund 29 does not have to be spent by year-end. You can carry money over to FY05. Just remember to include that amount in the adopted budget for the fund.

7. The amount you budget for transportation fund "contingency" should be added to the regular budget. That is, the regular budget should include the estimated amount needed to pay individual parent contracts and busing, etc. plus an amount budgeted as contingency funding. The amount you budget as contingency transportation aid will normally only be paid to you if additional bus routes or individual contracts occur after the budget is set.

*Traffic Ed Reimbursement for August 2004
is expected to be
approximately \$70 per student
completing the traffic ed course.*

*OPI Contact: David Huff, (406) 444-4396 or
dhuff@state.mt.us.*

Update on Montana Administrative Claiming (MAC) Medicaid Program

Sara Loewen recently joined the staff of DPHHS as the Medicaid Administrative Claiming Program Manager. She will be taking over the MAC program from Michelle Gillespie and eventually from Maximus (Nora Paape). Sara brings seven years' experience as a classroom teacher and looks forward to the opportunity to help schools add needed funds! She can be reached at sloewen@state.mt.us

or phone: 444-4162. The MAC is still in the approval process with the federal government. Once approved, please **use revenue source 3357** Montana Administrative Claiming (MAC) Medicaid Program to record this revenue. The reimbursement is like other Medicaid reimbursements and may be spent at the discretion of the trustees as provided in Section 20-9-507, MCA.

See you at the
**Montana Association of School Business Officials
(MASBO) Summer Conference!!**

June 16-18, 2004
Great Falls Heritage Inn
<http://www.masbo.com/summerconf.html>

New -- Private Day Treatment

Did your district pay tuition for a student to attend a private day treatment program under an individualized education program (IEP) during FY04? If so, you may be eligible for a state payment under HB 135, which passed in 2003.

By July 15, please file a form FP-15 Tuition Report with your county superintendent and send the state a copy no later than July 30. Use section III of the report to list the private day treatment students.

The form is posted at:
<http://www.opi.state.mt.us/pdf/SchoolFinance/forms/FP15.pdf>

Although the students are not considered enrolled in the school district, the state will reimburse the district for approximately the amount of the state's per-student payment. The payment will be made in the first half of FY05 and will be deposited into the district tuition fund to defray the cost of day treatment.

OPI Contact: Bonnie Maze, (406) 444-3249 or bmaze@state.mt.us.

2nd Semester Transportation Payment in June

OPI will distribute the 2nd semester payment for FY04 on June 25, 2004. Districts and county superintendents will receive notification by official email when the payment advice is posted on the OPI website. OPI Contact: Maxine Mougeot at (406) 444-3096 or mmougeot@state.mt.us.

July Workshops

It's not too late to register for the 2004 School Budgeting and Accounting Workshops (aka The 2004 OPI Olympiad and Summer Games):



July 7: Kalispell
July 8: Missoula
July 9: Butte
July 13: Sidney
July 14: Miles City
July 15: Billings
July 21: Havre
July 22: Great Falls

The tentative agenda for the 2004 OPI Olympiad and Summer Games:

8:30 Opening Ceremony
Retirement under SB424
9:30 Accounting Update
10:15 Break
10:30 Breakout Sessions: Large School/Small School Issues
11:45 Lunch (on your own)
1:00 MMIV OPI Summer Games
1:45 School Nutrition Programs Cost Control
2:45 Break
3:00 Special Ed Funding Review
3:45 Reminders, OPI ARM Changes
4:30 Closing Ceremony
Remember your togas!

Register online at:
<http://www.opi.state.mt.us/regforms/sbaw/index.html>

If you have questions, please contact Nica Carte at 406-444-4401 or email ncarte@state.mt.us.

Grants Ending June 30

Here's a heads-up for grants that end on June 30, 2004:

Some grants, including ABLE, Carl Perkins, Character Ed, IDEA Part B, IDEA Preschool, Learn and Serve, State Improvement (We Teach All), 21st Century Community Learning Centers, Students with Significant Needs, and State Gifted and Talented end on June 30. For those grants, you must spend or obligate the funds using PO's or actual expenditures by June 30. Send in your grant fiscal close-out reports and final program reports ASAP. The fiscal close-out report acts as your final cash request if any cash is remaining.

The fiscal close-out and final program reports are due by August 10. If OPI owes your district grant cash, please be sure to submit the close-out reports on time, since cash requests made on late close-out reports cannot be funded!

NOTE: Reading Excellence (RE) was scheduled to end on June 30 but has been extended to August 2 because this is the grant's last year of funding. Close out reports for RE are due September 12.

Need more info on close-out reporting or status of grant projects?

OPI Contacts:

Jurenne Fuchs (406) 444-2560
jfuchs@state.mt.us

Pat Dawes (406) 444-3408
pdawes@state.mt.us

Madilon Beatty (406) 444-4403
mbeatty@state.mt.us

In June, please be sure OPI has received...

1. Copies of budget amendment resolutions passed for FY04;
2. Copies of resolutions regarding transfers under 20-9-208, MCA; and
3. Copies of the FY03 audit report (auditor usually sends us one).

Bus Driver Training Opportunity

The Montana Association of Pupil Transportation (MAPT) Conference will be held on June 23-25, 2004 in Lewistown. This is a splendid opportunity for your district to access training that is needed to meet the annual 10 hours of training required per driver per year.

For more information, see:
(schedule)

<http://www.opi.state.mt.us/PDF/PupilTransport/MAPTSchedTentative.PDF>

(registration)

<http://www.opi.state.mt.us/PDF/PupilTransport/MAPTRegistration.pdf>

For more information on the conference or other training opportunities, contact Maxine Mougeot at (406) 444-3096 or mmougeot@state.mt.us.

MAEFAIRS Training

Thursday, July 29
at OPI in Helena

for school district personnel
responsible for completing the TFS/Budget reports.

To register, contact Nica Carte at (406) 444-4401 or email ncarte@state.mt.us.

Trustees' Report Adapts to GASB 34

GASB 34 is required for all school district and cooperative audit reports for FY04. Two changes take effect this year on the Trustees'

Financial Summary (TFS) to implement GASB 34. The changes involve fixed assets and long-term debt.

Fixed Assets: The General Fixed Asset Account Group (GFAAG) ("Fund 98") is replaced with the Schedule of Changes in Fixed Assets. The report is posted at: <http://www.opi.state.mt.us/PDF/SchoolFinance/GASB/GASB34FA.pdf>

Long-Term Debt: The General Long Term Debt Account Group (GLTDAG) ("Fund 99") is replaced with the Schedule of Changes in Long-Term Liabilities. The report is posted at: <http://www.opi.state.mt.us/PDF/SchoolFinance/GASB/GASB34LTL.pdf>

The schedules will appear in the MAEFAIRS reporting system in place of the previous reports. Completion of the reports is not mandatory for submitting the TFS but is highly recommended. The auditor will need this information in order to complete the audit under GASB 34 requirements.

GASB 34 does not affect small districts that have "financial reviews" instead of audits.

OPI staff will discuss the reports at the Budget and Accounting workshops in July. Please contact Denise Ulberg at (406) 444-0783 or dulberg@state.mt.us if you have questions.

Proposed Administrative Rule Changes

The State Superintendent of Public Instruction has proposed amendments to school finance and transportation rules. The official notice and information regarding the hearing on the proposed amendments can be found at <http://www.opi.state.mt.us/pdf/legaldivision/10-7-111proarm.pdf>. Comments may be submitted at the hearing on June 30 at 2:00 P.M. in Helena or may be submitted in writing to OPI through 5:00 p.m. on July 1, 2004.

If you have any questions regarding the rule notice please contact Joan Anderson at 444-1960 or janderson@state.mt.us.

Useful Websites

List of all Official OPI E-Mails:

http://www.metnet.state.mt.us/Official_Mail



Fill-In Forms Provided by

MASBO: Several fill-in forms (TR-1, TR-4, and grant cash request forms) are available on the MASBO website at <http://www.masbo.com>.

Special thanks to MASBO's Roger Heimbigner, who developed the forms!

OPI's GASB 34 Web Page:

<http://www.opi.state.mt.us/schoolfinance/gasb34.html>.

OPI's "Get Answers" searchable databases:

http://data.opi.state.mt.us/scripts/rightnow.cfg/php.exe/enduser/std_alp.php

Bus Safety and Driver Training Videos:

<http://www.opi.state.mt.us/pdf/pupiltransport/TrainingVideos.pdf>

School Finance forms and publications:

<http://www.opi.state.mt.us/schoolfinance/forms.html>

FP-14 Student Attendance Agreement (Fill-In Forms!)

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14Fillin.pdf> (Fill-in Form)

FP-14A Special Tuition Rates (used with FP-14)

<http://www.opi.state.mt.us/PDF/SchoolFinance/forms/FP14AFillin.pdf> (Fill-in Form)

CFDA Numbers for Federal Grants: <http://www.opi.state.mt.us/FederalPrograms/handbook.html> (Appendix F of the OPI State and Federal Grants Handbook)

Montana Codes Annotated (MCA) Online:
<http://www.opi.state.mt.us/masterMCASearch.htm>

Reconciling with the County Treasurer (Excel Spreadsheet):

[http://www.opi.state.mt.us/pdf/SchoolFinance/Balance to CoTreas 03 04.xls](http://www.opi.state.mt.us/pdf/SchoolFinance/Balance%20to%20CoTreas%2003%2004.xls)

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